

**UNITED STATES OF AMERICA**  
Before the  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES ACT OF 1933**

Release No. 9361 / September 14, 2012

**SECURITIES EXCHANGE ACT OF 1934**

Release No. 67860 / September 14, 2012

**INVESTMENT ADVISERS ACT OF 1940**

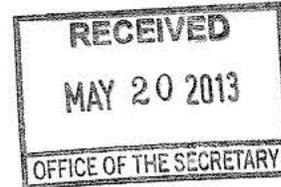
Release No. 3464 / September 14, 2012

**INVESTMENT COMPANY ACT OF 1940**

Release No. 30202 / September 14, 2012

**ADMINISTRATIVE PROCEEDING**

File No. 3-15024



**In the Matter of**

**WALTER V. GERASIMOWICZ,  
MEDITRON ASSET  
MANAGEMENT, LLC,  
MEDITRON MANAGEMENT  
GROUP, LLC,**

**Respondents.**

**DECLARATION OF WALTER GERASIMOWICZ IN SUPPORT OF RESPONDENTS'  
RESPONSE TO DIVISION OF ENFORCEMENT'S DAMAGES**

I, WALTER GERASIMOWICZ, pursuant to 28 U.S.C. § 1746, do hereby declare as follows:

1. I am sixty (60) years of age and I reside in New York, New York.
2. I make this declaration in support of Respondents' Response to Division of Enforcement's Damages Brief submitted herewith, and base it upon personal knowledge, information and belief.
3. I greatly regret my actions that have led to the issues currently before the Commission in this matter, especially my decision to invest in SMC Electrical Contracting, Inc. ("SMC"), and I am most remorseful for the loss of investor money. I never intended for any such losses to occur. I initially, foolishly thought I was making an investment that would benefit investors, but it spiraled out of control. If I could go back to that day when I was first approached by SMC about making an investment, I would run as far from SMC as I could. These mistakes, and the hurt suffered by investors (including many friends and family), will haunt me for the rest of my days.
4. The results of my involvement in SMC have devastated me personally, professionally, and financially. I am about to lose my home.
5. I have lost my ability to make a living, as the permanent bar to which I agreed removes me from the only industry I have known for the last 20 years.
6. I have effectively become personally bankrupt, having lost all my hard-earned, lifelong net worth in the last 6 years because of my involvement with SMC.

7. In an effort to recover lost investor funds, I have now agreed to acquire the causes of action associated with SMC from the bankruptcy trustee and, if accepted by the bankruptcy court, I will fully pursue the claims against the individuals who embezzled from and bankrupted SMC, with the intention of recovering as much money as possible for the investors.

8. In that regard, a copy of the relevant court documents substantiating my past and current legal efforts in this regard are attached as exhibits to the Response Brief. I have caused MREP to file one lawsuit and SMC to file another, and I have had counsel prepare a complaint in a third, and have already entered into a settlement for MREP with SMC's former president for as much as \$2.4 million for MREP).

9. Also attached to the Response Brief is the 2011 tax return for are the Forms K-1 for Meditron Real Estate Partners, LLC ("MREP") for the year 2011. I believe these were previously submitted to Enforcement, but they are being added to Response Brief exhibits because the Forms K-1 therein were not all included by Enforcement in its 262 Trial Exhibits. Important to note is an apparent clerical error in such forms by the tax preparer that could be misleading to the casual viewer. In all instances of P&L and Capital percentages, he inexplicably moved the decimal two places to the left. For example, for investor Remi Saunder, the beginning capital share was listed as "5.1687750," while the ending capital share was listed as ".051062508." However, all such capital shares in the entire form add up only to one (1), not 100. Therefore, I consider all such share numbers to actually be the same number listed, but with two decimal places to the right. For example, Remi Saunders' ending capital share is actually "5.1062508%," not ".051062508."

10. Attached to the Response Brief is a summary listing of the P&L and capital account percentages of each investor in MREP for the years 2007 to 2011 (taking into account

the corrective treatment of the 2011 end-of-year percentages discussed above). These numbers were extracted primarily from Enforcement Trail Exhibits 8, 10, 15 and 16, as well as the 2011 MREP tax return included as a Response Brief exhibit. I have reviewed such numbers and upon recollection, information and belief, believe them to be a true and accurate summary of the ownership percentages for MREP for those years.

11. The president of SMC was Theodore Doumazios until September 2008, followed by George Kazantzis thereafter to present. My offices have remained at 641 Lexington Avenue, New York, New York since before the start of the review period in this matter (i.e., 2007). SMC's offices, meanwhile, were located in Queens, New York, until approximately late 2011, which made any hands-on oversight of SMC by me highly impractical (especially given my painful, lifelong medical condition, discussed below). While Enforcement has many of my files and I believe supporting documentation for same is in there, I can provide further support if needed.

12. At a meeting with Enforcement staff in January 2013, when my attorneys and I requested more time to pursue restitution for investors (actions I had already formally commenced via the above-described lawsuits), staff responded that the SEC "doesn't care about investors or their restitution," that the "policy of the SEC is to punish" investment professionals and that the lawsuits I had commenced for investors was against "miscreants" and was "your problem, not ours." I found those statements to be highly upsetting and alarming with regard to apparent internal SEC policy.

13. I was diagnosed at birth with a genetic disease [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

14. [REDACTED]

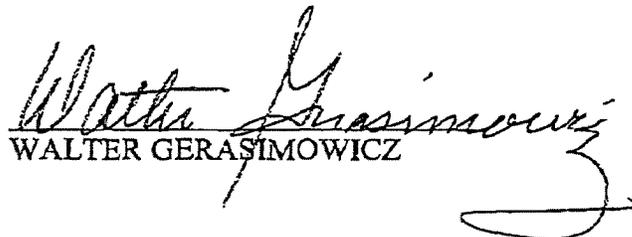
[REDACTED]

15. In short, I have spent almost 61 years confronting and overcoming tremendous obstacles presented by several rare medical conditions and some, now newer, more common ones, and these battles will continue for the rest of my life. Indeed, having to start an entirely new career in this high unemployment economy is a tremendous hardship, but at my age and with my medical condition, I really don't know how I will manage.

16. In closing, I ask the SEC to respectfully consider my good intentions (both past and present, as I try to recover investor funds for them), the remediation and punishment I have already experienced (and will continue to suffer), my age and my medical conditions as it makes its determination as to remaining sanctions in this matter, including disgorgement and civil penalties.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: May 17, 2013

  
WALTER GERASIMOWICZ